

March 31, 2003

Bloomberg Municipal Repositories
100 Business Park Drive
Skillman, New Jersey 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
E-mail: munis@bloomberg.com

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax (201) 947-0107
E-mail: nrmsir@dpdata.com

FT Interactive Data
Attn.: NRMSIR
100 Williams Street
New York, NY 10038
Phone: (212) 771-6999
Fax: (212) 771-7390
E-mail: NRMSIR@FTID.com

Standard & Poor's J.J. Kenny Repository
55 Water Street
45th Floor
New York, NY 10041
Telephone: (212) 438-4595
Fax (212) 438-3975
E-mail: nrmsir_repository@sandp.com

Mr. David Oeser
BNY Western Trust Company
700 Flower Street, Suite 200
Los Angeles, CA 900147

Mr. Adam Beronzi
MBIA
113 King Street
Armonk, N.Y. 900147

The Fremont Public Financing Authority and the City of Fremont, California hereby submit the annual report as of January 31, 2003 for the following bonds in accordance with SEC Rule 15c2-12(b)(5). Also enclosed is the Comprehensive Annual Financial Report of the City of Fremont for the fiscal year ended June 30, 2002.

Title: 1998 Certificate of Participation
(1998 Police Facility Refinancing Project)
Par: \$20,870,000.00
Dated: December 1, 1998
Final Maturity: August 1, 2025
CUSIP #357122 HE3

The report contains the financial information and operating data for the operating year as required by Section 3 of the Continuing Disclosure Certificate executed by the City of Fremont and the Fremont Public Financing Authority

Gloria del Rosario
Revenue and Treasury Manager
City of Fremont
Fremont Public Financing Authority
March 31, 2003

CITY OF FREMONT
1998 CERTIFICATES OF PARTICIPATION
1998 POLICE FACILITY REFINANCING PROJECT
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1998 COP POLICE BUILDING BONDS
PRINCIPAL AND INTEREST OF 1998 COP POLICE BUILDING BONDS OUTSTANDING AS OF 1/31/03

<u>NAME</u>	<u>DATE SOLD</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1998 COP PD BLDG BONDS	12/01/98	02/01/03			418,255.00	418,255.00
1998 COP PD BLDG BONDS	12/01/98	08/01/03	3.600%	495,000.00	418,255.00	913,255.00
1998 COP PD BLDG BONDS	12/01/98	02/01/04			409,345.00	409,345.00
1998 COP PD BLDG BONDS	12/01/98	08/01/04	3.700%	515,000.00	409,345.00	924,345.00
1998 COP PD BLDG BONDS	12/01/98	02/01/05			399,817.50	399,817.50
1998 COP PD BLDG BONDS	12/01/98	08/01/05	3.800%	530,000.00	399,817.50	929,817.50
1998 COP PD BLDG BONDS	12/01/98	02/01/06			389,747.50	389,747.50
1998 COP PD BLDG BONDS	12/01/98	08/01/06	3.900%	550,000.00	389,747.50	939,747.50
1998 COP PD BLDG BONDS	12/01/98	02/01/07			379,022.50	379,022.50
1998 COP PD BLDG BONDS	12/01/98	08/01/07	4.000%	580,000.00	379,022.50	959,022.50
1998 COP PD BLDG BONDS	12/01/98	02/01/08			367,422.50	367,422.50
1998 COP PD BLDG BONDS	12/01/98	08/01/08	4.000%	595,000.00	367,422.50	962,422.50
1998 COP PD BLDG BONDS	12/01/98	02/01/09			355,522.50	355,522.50
1998 COP PD BLDG BONDS	12/01/98	08/01/09	4.100%	620,000.00	355,522.50	975,522.50
1998 COP PD BLDG BONDS	12/01/98	02/01/10			342,812.50	342,812.50
1998 COP PD BLDG BONDS	12/01/98	08/01/10	4.200%	640,000.00	342,812.50	982,812.50
1998 COP PD BLDG BONDS	12/01/98	02/01/11			329,372.50	329,372.50
1998 COP PD BLDG BONDS	12/01/98	08/01/11	4.300%	670,000.00	329,372.50	999,372.50
1998 COP PD BLDG BONDS	12/01/98	02/01/12			314,967.50	314,967.50
1998 COP PD BLDG BONDS	12/01/98	08/01/12	4.400%	700,000.00	314,967.50	1,014,967.50
1998 COP PD BLDG BONDS	12/01/98	02/01/13			299,567.50	299,567.50
1998 COP PD BLDG BONDS	12/01/98	08/01/13	4.500%	730,000.00	299,567.50	1,029,567.50
1998 COP PD BLDG BONDS	12/01/98	02/01/14			283,142.50	283,142.50
1998 COP PD BLDG BONDS	12/01/98	08/01/14	4.600%	765,000.00	283,142.50	1,048,142.50
1998 COP PD BLDG BONDS	12/01/98	02/01/15			265,547.50	265,547.50
1998 COP PD BLDG BONDS	12/01/98	08/01/15	4.600%	800,000.00	265,547.50	1,065,547.50
1998 COP PD BLDG BONDS	12/01/98	02/01/16			247,147.50	247,147.50
1998 COP PD BLDG BONDS	12/01/98	08/01/16	4.700%	835,000.00	247,147.50	1,082,147.50
1998 COP PD BLDG BONDS	12/01/98	02/01/17			227,525.00	227,525.00
1998 COP PD BLDG BONDS	12/01/98	08/01/17	4.750%	875,000.00	227,525.00	1,102,525.00
1998 COP PD BLDG BONDS	12/01/98	02/01/18			206,743.75	206,743.75
1998 COP PD BLDG BONDS	12/01/98	08/01/18	4.750%	915,000.00	206,743.75	1,121,743.75
1998 COP PD BLDG BONDS	12/01/98	02/01/19			185,012.50	185,012.50
1998 COP PD BLDG BONDS	12/01/98	08/01/19	4.750%	965,000.00	185,012.50	1,150,012.50
1998 COP PD BLDG BONDS	12/01/98	02/01/20			162,093.75	162,093.75
1998 COP PD BLDG BONDS	12/01/98	08/01/20	4.750%	1,010,000.00	162,093.75	1,172,093.75
1998 COP PD BLDG BONDS	12/01/98	02/01/21			138,106.25	138,106.25
1998 COP PD BLDG BONDS	12/01/98	08/01/21	4.750%	1,060,000.00	138,106.25	1,198,106.25
1998 COP PD BLDG BONDS	12/01/98	02/01/22			112,931.25	112,931.25
1998 COP PD BLDG BONDS	12/01/98	08/01/22	4.750%	1,105,000.00	112,931.25	1,217,931.25
1998 COP PD BLDG BONDS	12/01/98	02/01/23			86,687.50	86,687.50
1998 COP PD BLDG BONDS	12/01/98	08/01/23	4.750%	1,160,000.00	86,687.50	1,246,687.50

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1998 COP PD BLDG BONDS	12/01/98	02/01/24			59,137.50	59,137.50
1998 COP PD BLDG BONDS	12/01/98	08/01/24	4.750%	1,215,000.00	59,137.50	1,274,137.50
1998 COP PD BLDG BONDS	12/01/98	02/01/25			30,281.25	30,281.25
1998 COP PD BLDG BONDS	12/01/98	08/01/25	4.750%	1,275,000.00	30,281.25	1,305,281.25
TOTALS AS OF 1/31/03					<u>\$18,605,000.00</u>	<u>\$30,625,417.50</u>

BALANCES IN 1998 COP POLICE BUILDING INTEREST ACCOUNT, PRINCIPAL ACCOUNT, REDEMPTION ACCOUNT
SURPLUS ACCOUNT AND RESERVE ACCOUNT AS OF 1/31/03

LEASE PAYMENT
TOTAL \$418,255.00
Reserve Fund - Surety Bond provided by MBIA \$1,471,452.00

CITY OF FREMONT GENERAL FUND REVENUES AND BUDGET FOR 2001/02

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Property Tax	\$ 32,458,000	\$ 31,516,106	\$ (941,894)
Sales Tax	34,257,000	29,195,816	(5,061,184)
Business Tax	5,699,000	5,655,770	(43,230)
Other Taxes	5,824,000	3,161,945	(2,662,055)
Motor Vehicle In Lieu	11,288,000	11,568,423	280,423
Franchises	6,902,000	7,466,757	564,757
Charges for Services	4,810,000	6,440,931	1,630,931
Intergovenmental	863,000	1,056,448	193,448
Investment Earnings	3,060,000	2,724,103	(335,897)
Other	311,000	510,250	199,250
Total Revenues	\$ 105,472,000	\$ 99,296,549	\$ (6,175,451)

EXPENDITURES:

General Government	\$ 14,392,118	\$ 11,981,513	\$ 2,410,605
Police Department	38,496,862	37,270,907	1,225,955
Fire Department	24,663,331	23,651,021	1,012,310
Human Services	2,623,462.00	2,605,911.00	17,551
Community development environmental se	713,019	632,386	80,633
Capital Outlay	869,000	864,555	4,445

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Interest and fiscal charges	760,000	713,915	46,085
Total expenditures	\$ 82,517,792	\$ 77,720,208	\$ 4,797,584
REVENUES OVER (UNDER) EXPENDITURES	\$ 22,954,208	\$ 21,576,341	\$ (1,377,867)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	\$ 8,256,826	\$ 6,375,962	\$ (1,880,864)
Operating transfers out	(38,357,078)	(37,909,779)	447,299
Total other financing sources (uses)	\$ (30,100,252)	\$ (31,533,817)	\$ (1,433,565)
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(7,146,044)	(9,957,476)	(2,811,432)
FUND BALANCES, JUNE 30, 2001 as restated	33,177,335	46,503,785	13,326,450
FUND BALANCES, JUNE 30, 2002	\$ 26,031,291	\$ 36,546,309	\$ 10,515,018

CITY OF FREMONT PROPERTY TAX ASSESSED VALUES, LEVIES AND COLLECTIONS

Fiscal year	2001/02
Gross assessed value	\$ 23,488,463,488
Net assessed value	22,900,425,051
Total tax levy	31,962,996
Current tax collections	30,260,493
Delinquent tax collections	732,220
Total tax collections	30,992,713

CITY OF FREMONT SUMMARY OF INVESTMENTS AND INVESTMENT RETURN
as of January 31, 2003

Type	Amount Carrying @ Fair Value
Deposits with banks	\$ 254,158
U.S government securities	109,153,349
Bankers' acceptances	5,949,307
Commercial paper	8,475,522
Medium term notes	29,037,135
Money market accounts	4,603,150
California Local Agency Investment Fund	76,921,407
Cash on hand	19,355
Total	<u>\$ 234,413,383</u>

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Average return on investments as of
January 31, 2003 3.24%

**CITY OF FREMONT ANNUAL CONTRIBUTION TO THE PUBLIC EMPLOYEES
RETIREMENT SYSTEM FOR 2001/02**

City contribution	\$	3,784,419
Employees contribution		5,807,870
Total contribution	\$	<u>9,592,289</u>

Sources: City of Fremont, California Comprehensive Annual Financial Report
for the Fiscal Year ended June 30, 2002 and Cash & Investment Report as of January 31, 200